

DEBTOR: Perseon Corporation

**MONTHLY OPERATING REPORT**  
**CHAPTER 11**

CASE NUMBER 16-24435 RKM

**Form 2-A**  
**COVER SHEET**

For Period Ending: 6/30/16

Accounting Method: ☒ Accrual Basis ☐ Cash Basis

**THIS REPORT IS DUE 14 DAYS AFTER THE END OF THE MONTH**

Mark One Box for Each  
Required Document:

Debtor must attach each of the following reports/documents unless the U. S. Trustee  
has waived the requirement in writing. File the original with the Clerk of Court.  
Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts

***I declare under penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate and correct to the best of my knowledge and belief.***

Executed on: 8/23/2016

Print Name: Clinton E. Carnell Jr.

Signature: 

Title: CEO and President

**DEBTOR:** Perseon Corporation **CASE NO:** 16-24435 RKM

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 6/1/16 to 6/30/16

**CASH FLOW SUMMARY**

	<u>Current Month</u>	<u>Accumulated</u>
<b>1. Beginning Cash Balance</b>	\$ <u>291,886.80</u> (1)	\$ <u>278,088.92</u>
<b>2. Cash Receipts</b>		
Operations	368,450.00	368,450.00
Sale of Assets	-	-
Loans/advances	850,000.00	850,000.00
Other	8,721.16	8,729.02
Total Cash Receipts	\$ <u>1,227,171.16</u>	\$ <u>1,227,179.02</u>
<b>3. Cash Disbursements</b>		
Operations	189,757.90	175,967.88
Debt Service/Secured loan payment	-	-
Professional fees/U.S. Trustee fees	55,261.40	55,261.40
Other	10.00	10.00
Total Cash Disbursements	\$ <u>245,029.30</u>	\$ <u>231,239.28</u>
<b>4. Net Cash Flow (Total Cash Receipts less     Total Cash Disbursements)</b>	<u>982,141.86</u>	<u>995,939.74</u>
<b>5 Ending Cash Balance (to Form 2-C)</b>	\$ <u>1,274,028.66</u> (2)	\$ <u>1,274,028.66</u>

**CASH BALANCE SUMMARY**

	<u>Financial Institution</u>	<u>Book Balance</u>
Petty Cash		\$ -
DIP Operating Account	<u>Wells Fargo xxxx-1802</u>	1,243,025.28
DIP State Tax Account		-
DIP Payroll Account	<u>Wells Fargo xxxx-5217</u>	4,665.12
Other Operating Account	<u>Wells Fargo CC security deposit</u>	25,000.00
Other Interest-bearing Account	<u>Wells Fargo MM xxxx-8458</u>	1,338.26
TOTAL (must agree with Ending Cash Balance above)		\$ <u>1,274,028.66</u>

(1) Accumulated beginning cash balance is the cash available at the commencement of the case.

Current month beginning cash balance should equal the previous month's ending balance.

(2) All cash balances should be the same.

DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 6/1/16 to 6/30/16

**CASH RECEIPTS DETAIL**

*(attach additional sheets as necessary)*

Account No: Wells Fargo xxxx-1802

Date	Payer	Description	Amount
	SEE ATTACHED		\$ 1,227,170.99

**Total Cash Receipts** \$ 1,227,170.99 (1)

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 1

Form 2-B

Account No: WF xxx-1802

Cash Receipts

June 1 - 30, 2016

Payer	Description	Date	Amount
Comed Medical Specialties	A/R Receipt	6/1/2016	8,400.00
Mayo Foundation	A/R Receipt	6/1/2016	33,000.00
University Health Care	A/R Receipt	6/6/2016	30,500.00
Comed Medical Specialties	A/R Receipt	6/7/2016	2,400.00
Comed Medical Specialties	A/R Receipt	6/9/2016	2,500.00
University Health Care	A/R Receipt	6/9/2016	4,500.00
IRS	Form 940 Refund	6/11/2016	1,979.77
VA FSC	A/R Receipt	6/15/2016	5,900.00
Comed Medical Specialties	A/R Receipt	6/16/2016	4,800.00
University Health Care	A/R Receipt	6/17/2016	7,820.00
IRS	Form 720 refund	6/21/2016	6,256.96
Medlink/Scion	Asset purchase deposit	6/22/2016	850,000.00
Mayo Foundation	A/R Receipt	6/24/2016	18,000.00
Comed Medical Specialties	A/R Receipt	6/24/2016	3,600.00
Federal Express	Refund	6/30/2016	484.26
Terumo Europe N.V.	A/R Receipt	6/30/2016	247,030.00
Total Cash Receipts			<u><u>1,227,170.99</u></u>

DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 6/1/16 to 6/30/16

**CASH RECEIPTS DETAIL**

*(attach additional sheets as necessary)*

Account No: Wells Fargo xxxx-8458

Date	Payer	Description	Amount
6/30/16	Wells Fargo	Interest Income	\$ 0.17

**Total Cash Receipts** \$ 0.17 (1)

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 1

DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-B**

**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 6/1/16 to 6/30/16

**CASH DISBURSEMENTS DETAIL**

*(attach additional sheets as necessary)*

Account No: Wells xxxx-1802

Date	Check No.	Payee	Description (Purpose)	Amount
SEE ATTACHED				\$ 245,019.30

**Total Cash Disbursements** \$ 245,019.30 (1)

(1) *Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 1*

Form 2-B

Cash Disbursements

June 1 - 30, 2016

Account No: WF xxx-1802

Payee	Check No.	Date	Description (Purpose)	Amount
Vernay Laboratories	Void: CK031296	6/1/2016	R&D Testing	-5,781.76
Utah State Tax Comm.	Handcheck: EFT#Q4 2015 SALES USE	6/1/2016	Sales & Use Tax Return	319.77
John Groen	Check: CK031302	6/3/2016	R&D Services	230.00
Risk Consulting	Check: CK031303	6/3/2016	R&D Services	135.00
EDD	Check: CK031304	6/3/2016	Payroll Tax Return	40.73
Select Health	Check: CK031305	6/3/2016	Health Insurance	6,585.00
Ben Beckham	Check: CK031306	6/3/2016	Sales & Mktg Services	3,750.00
BACS	Check: CK031307	6/3/2016	IT Tech Support	940.00
Veritas Mgmt Corp	Check: CK031308	6/3/2016	CE Mark Services	3,900.00
KAX	Check: CK031309	6/3/2016	Office Rent	3,913.00
THT Consulting	Check: CK031310	6/3/2016	Sales & Mktg Services	1,500.00
SurePayroll	Handcheck: EFT#ACH 2016.06.03	6/3/2016	Payroll and Payroll Taxes PPE 5/16-5/31/16	16,759.34
Mark Housekeeper	Handcheck: EFT#PPE 05.31.2016 1	6/3/2016	Travel Expenses	1,002.89
Ariel Duke	Handcheck: EFT#PPE 05.31.2016 2	6/3/2016	Office Supplies Reimbursements	596.51
Doug Wilkes	Handcheck: EFT#PPE 05.31.2016 3	6/3/2016	Supplies and Travel Reimbursements	553.37
Clint Carnell	Handcheck: EFT#PPE 05.31.2016 4	6/3/2016	Travel Expenses	20,890.06
WCIO	Check: CK031311	6/6/2016	Trade Show Booth-Boston	5,500.00
Keith Barnes	Check: CK031312	6/6/2016	R&D Services	1,214.03
Federal Express	Check: CK031313	6/7/2016	Shipping Charges	185.78
De Lage Landen	Check: CK031314	6/7/2016	Monthly Payment 2 Office Copiers	897.43
Comcast	Check: CK031315	6/9/2016	Monthly Phone and Internet Charge	127.30
Wells Fargo	Check: CK031316	6/11/2016	Corporate Credit Card Travel Expenses	533.40
Federal Express	Check: CK031317	6/16/2016	Shipping Charges	484.26
Ben Beckham	Check: CK031318	6/16/2016	Sales & Mktg Services	6,992.06
Veritas Mgmt Corp	Check: CK031319	6/16/2016	CE Mark Services	6,412.50
Wells Fargo	Check: CK031320	6/16/2016	Corporate Credit Card Travel Expenses	1,090.35
Dirk Cooley	Check: CK031321	6/16/2016	R&D Services	723.02
Utah State Tax Comm.	Handcheck: EFT#Q1 2016 WT	6/17/2016	Payroll Tax Return	756.17
SurePayroll	Handcheck: EFT#PR 2016.06.17	6/17/2016	Payroll & Payroll Taxes PPE 6/1-6/15/16	40,321.17
Riley Astill	Handcheck: EFT#PR 2016.06.20 A	6/20/2016	Accounting Services	10,000.00
Carol Freasier	Handcheck: EFT#PR 06.20.2016 1	6/20/2016	R&D Services	692.00
David Green	Handcheck: EFT#PR 06.20.2016 3	6/20/2016	Operations & Admin Services	30,096.96
Mark Housekeeper	Handcheck: EFT#PR 06.20.2016 4	6/20/2016	Sales & Mktg Services	4,270.38
Doug Wilkes	Handcheck: EFT#PR 06.20.2016 5	6/20/2016	Supplies and Travel Reimbursements	131.80
Michael Dachman	Handcheck: EFT#PR 06.20.2016 6	6/20/2016	Travel Expenses	2,590.22
Utah State Tax Comm.	Handcheck: EFT#2016.06.21	6/21/2016	Sales and Use Tax Return	134.28
Federal Express	Handcheck: EFT#06.21.2016	6/21/2016	Shipping Charges	484.26
Ariel Duke	Handcheck: EFT#PR 06.20.2016 2	6/24/2016	Office Supplies Reimbursements	63.34
Carol Freasier	Handcheck: EFT#PR 06.20.2016 7	6/24/2016	R&D Services	2,068.00
Sterigenics	Check: CK031322	6/29/2016	Inventory	1,050.00
Ben Beckham	Check: CK031323	6/29/2016	Sales & Mktg Services	3,287.19
BACS	Check: CK031324	6/29/2016	IT Tech Support	2,130.00
KAX	Check: CK031325	6/29/2016	Office Rent	3,913.00
Comcast	Check: CK031326	6/29/2016	Monthly Phone and Internet Charge	209.99
Risk Consulting	Check: CK031327	6/29/2016	R&D Services	1,477.50
Keith Barnes	Check: CK031328	6/29/2016	R&D Services	600.00
Veritas Mgmt Corp	Check: CK031329	6/29/2016	CE Mark Services	6,937.50
Keith Barnes	Void: CK031328	6/29/2016	R&D Services	-600
Keith Barnes	Check: CK031330	6/29/2016	R&D Services	554.10
Riley Astill	Handcheck: EFT#PR 2016.06.30 02	6/29/2016	Accounting Services	5,164.44
Ariel Duke	Handcheck: EFT#PR 2016.06.30 01	6/30/2016	Office Supplies Reimbursements	48.07
Doug Wilkes	Handcheck: EFT#PR 2016.06.30 03	6/30/2016	Supplies and Travel Reimbursements	548.93
Jeremy Ellis	Handcheck: EFT#PR 2016.06.30	6/30/2016	R&D Services	1,299.18
Devin Ellis	Handcheck: EFT#PR 2016.06.30 05	6/30/2016	R&D Services	950.00
Michael Dachman	Handcheck: EFT#PR 2016.06.30 06	6/30/2016	Travel Expenses	24.57
Mark Housekeeper	Handcheck: EFT#PR 2016.06.30 07	6/30/2016	Travel Expenses	502.21
Carol Freasier	Handcheck: EFT#PR 2016.06.30 08	6/30/2016	R&D Services	2,560.00
Clint Carnell	Handcheck: EFT#PR 2016.06.30 09	6/30/2016	Travel Expenses	15,806.61
David Green	Handcheck: EFT#PR 2016.06.30 10	6/30/2016	Operations & Admin Services	10,000.00
SurePayroll	Handcheck: EFT#PR 2016.06.30 11	6/30/2016	Payroll and Payroll Taxes PPE 6/15-6/30/16	15,309.82
SurePayroll	Sure PR fee 05.31.2016	6/2/2016	Payroll Fee	91.99
Wells Fargo Merchant Svcs.	Bankcard Interchange Fee	6/10/2016	Credit Card Processing Fees	1,035.18
Wells Fargo Merchant Svcs.	Bankcard Discount Fee	6/10/2016	Credit Card Processing Fees	680.80
Wells Fargo Merchant Svcs.	Bankcard Fee	6/10/2016	Credit Card Processing Fees	48.72
Wells Fargo Merchant Svcs.	Service charge	6/13/2016	Credit Card Processing Fees	286.88

Total Cash Disbursements

**245,019.30**

DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-B**

**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 6/1/16 to 6/30/16

**CASH DISBURSEMENTS DETAIL**

*(attach additional sheets as necessary)*

Account No: Wells xxxx-8458

Date	Check No.	Payee	Description (Purpose)	Amount
6/30/16	EFT	Wells Fargo	Bank service charges	\$ 10.00

**Total Cash Disbursements** \$ 10.00 (1)

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 1



<b>DEBTOR:</b>	<u>Perseon Corporation</u>	<b>CASE NO:</b>	<u>16-24435 RKM</u>
<b>Form 2-C</b>			
<b>COMPARATIVE BALANCE SHEET</b>			
<b>For Period Ended:</b>		<u>6/30/16</u>	(Book Value)
		Current Month	Petition Date (1)
<b>ASSETS</b>			
Current Assets:			
Cash (from Form 2-B, line 5)		\$ 1,274,028.66	\$ 278,088.92
Accounts Receivable (from Form 2-E)		351,590.44	522,640.44
Receivable from Officers, Employees, Affiliates		-	-
Inventory		774,007.99	853,395.33
Other Current Assets :(List)	<u>Prepaid insurance</u>	63,535.03	83,323.54
	<u>Deposits</u>	103,975.91	107,888.91
Total Current Assets		<u>\$ 2,567,138.03</u>	<u>\$ 1,845,337.14</u>
Fixed Assets:			
Land		\$ -	\$ -
Building		-	-
Equipment, Furniture and Fixtures		831,845.78	831,845.78
Total Fixed Assets		<u>831,845.78</u>	<u>831,845.78</u>
Less: Accumulated Depreciation		( 681,874.78 )	( 671,402.40 )
Net Fixed Assets		<u>\$ 149,971.00</u>	<u>\$ 160,443.38</u>
Other Assets (List):	<u></u>	-	-
	<u></u>	-	-
<b>TOTAL ASSETS</b>		<u><u>\$ 2,717,109.03</u></u>	<u><u>\$ 2,005,780.52</u></u>
<b>LIABILITIES</b>			
Post-petition Accounts Payable (from Form 2-E)		\$ 26,479.64	\$ -
Post-petition Accrued Profesional Fees (from Form 2-E)		145,276.83	-
Post-petition Taxes Payable (from Form 2-E)		-	-
Post-petition Notes Payable		-	-
Other Post-petition Payable(List):	<u></u>	-	-
	<u></u>	-	-
Total Post Petition Liabilities		<u>\$ 171,756.47</u>	<u>\$ -</u>
Pre Petition Liabilities:			
Secured Debt (Rcvd \$850K from stalking horse bidder in June)		888,847.89	39,745.32
Priority Debt		51,787.72	51,787.72
Unsecured Debt		2,400,664.80	2,432,160.41
Total Pre Petition Liabilities		<u>\$ 3,341,300.41</u>	<u>\$ 2,523,693.45</u>
<b>TOTAL LIABILITIES</b>		<u><u>\$ 3,513,056.88</u></u>	<u><u>\$ 2,523,693.45</u></u>
<b>OWNERS' EQUITY</b>			
Owner's/Stockholder's Equity		\$ 68,532,407.88	\$ 68,532,407.88
Retained Earnings - Prepetition		(69,086,387.20)	(69,050,320.81)
Retained Earnings - Post-petition		(241,968.53)	-
<b>TOTAL OWNERS' EQUITY</b>		<u><u>\$ (795,947.85)</u></u>	<u><u>\$ (517,912.93)</u></u>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<u><u>\$ 2,717,109.03</u></u>	<u><u>\$ 2,005,780.52</u></u>

(1) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.

DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-D**  
**PROFIT AND LOSS STATEMENT**  
For Period 6/1/16 to 6/30/16

	Current Month	Accumulated Total (1)
Gross Operating Revenue	\$ 135,855.00	\$ 262,830.00
Less: Discounts, Returns and Allowances	( - )	( - )
<b>Net Operating Revenue</b>	<b>\$ 135,855.00</b>	<b>\$ 262,830.00</b>
Cost of Goods Sold	<u>28,554.66</u>	<u>59,480.14</u>
<b>Gross Profit</b>	<b>\$ 107,300.34</b>	<b>\$ 203,349.86</b>
Operating Expenses		
Officer Compensation	\$ -	\$ -
Selling, General and Administrative	174,865.81	265,984.68
Rents and Leases	11,739.00	11,739.00
Depreciation, Depletion and Amortization	4,103.87	7,481.42
Other (list): <u>Incoming wire fee</u>	30.00	30.00
	<u>-</u>	<u>-</u>
Total Operating Expenses	<b>\$ 190,738.68</b>	<b>\$ 285,235.10</b>
<b>Operating Income (Loss)</b>	<b>\$ (83,438.34)</b>	<b>\$ (81,885.24)</b>
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ -	\$ -
Gains (Losses) on Sale of Assets	-	-
Interest Income	0.17	8.03
Interest Expense	-	-
Other Non-Operating Income	<u>-</u>	<u>-</u>
Net Non-Operating Income or (Expenses)	<b>\$ 0.17</b>	<b>\$ 8.03</b>
Reorganization Expenses		
Legal and Professional Fees	\$ 106,400.00	\$ 160,091.32
Other Reorganization Expense	<u>-</u>	<u>-</u>
Total Reorganization Expenses	<b>\$ 106,400.00</b>	<b>\$ 160,091.32</b>
<b>Net Income (Loss) Before Income Taxes</b>	<b>\$ (189,838.17)</b>	<b>\$ (241,968.53)</b>
Federal and State Income Tax Expense (Benefit)	<u>-</u>	<u>-</u>
<b>NET INCOME (LOSS)</b>	<b>\$ (189,838.17)</b>	<b>\$ (241,968.53)</b>

(1) Accumulated Totals include all revenue and expenses since the petition date.

**DEBTOR:** Perseon Corporation

**CASE NO:** 16-24435 RKM

**Form 2-E**  
**SUPPORTING SCHEDULES**  
**For Period:** 6/1/16 to 6/30/16

**POST PETITION TAXES PAYABLE SCHEDULE**

	<u>Beginning Balance (1)</u>	<u>Amount Accrued</u>	<u>Amount Paid</u>	<u>Date Paid</u>	<u>Check Number</u>	<u>Ending Balance</u>
Income Tax Withheld:						
Federal	\$ 2,055.15	\$ 8,425.66	\$ 10,480.81	6/3 6/23, 6/30	EFT Surepayroll	\$ -
State	722.99	1,626.49	2,349.48	6/3 6/23, 6/30	EFT Surepayroll	-
FICA Tax Withheld	1,238.07	2,915.89	4,153.96	6/3 6/23, 6/30	EFT Surepayroll	-
Employer's FICA Tax	1,238.07	2,915.89	4,153.96	6/3 6/23, 6/30	EFT Surepayroll	-
Unemployment Tax						
Federal	8.40	3.55	11.95	6/3 6/23, 6/30	EFT Surepayroll	-
State	17.90	8.69	26.59	6/3 6/23, 6/30	EFT Surepayroll	-
Sales, Use & Excise Taxes	-	-	-			-
Property Taxes	-	-	-			-
Accrued Income Tax:						
Federal	-	-	-			-
State	-	-	-			-
Other: _____	-	-	-			-
<b>TOTALS</b>	<b>\$ <u>5,280.58</u></b>	<b>\$ <u>15,896.17</u></b>	<b>\$ <u>21,176.75</u></b>			<b>\$ <u>-</u></b>

(1) For first report, Beginning Balance will be \$0; thereafter, Beginning Balance will be Ending Balance from prior report.

**INSURANCE SCHEDULE**

	<u>Carrier</u>	<u>Amount of Coverage</u>	<u>Expiration Date</u>	<u>Premium Paid Through</u>
Workers' Compensation	Traveler's	\$ 1,000,000	4/20/17	\$ 10/20/16
General Liability	Traveler's	\$ 7,000,000	8/31/16	\$ 8/31/16
Property (Fire, Theft)	Included in General Liab	\$		\$
Vehicle	Traveler's	\$ 1,000,000	8/31/16	\$ 8/31/16
Other (list): Umbrella	Traveler's	\$ 4,000,000	8/31/16	\$ 8/31/16

DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-E  
SUPPORTING SCHEDULES**

For Period: 6/1/16 to 6/30/16

**ACCOUNTS RECEIVABLE AND POST PETITION PAYABLE AGING**

<u>Due</u>	<u>Accounts Receivable</u>	<u>Post Petition Accounts Payable</u>
Under 30 days	\$ 135,855.00	\$ 13,326.00
30 to 60 days	82,475.00	13,153.64
61 to 90 days		-
91 to 120 days		-
Over 120 days		-
<b>Total Post Petition</b>	<u>218,330.00</u>	
<b>Pre Petition Amounts</b>	<u>199,740.44</u>	
Total Accounts Receivable	\$ 418,070.44	
Less: Bad Debt Reserve	(66,480.00)	
<b>Net Accounts Receivable (to Form 2-C)</b>	<u>\$ 351,590.44</u>	
	<b>Total Post Petition Accounts Payable</b>	<u>\$ 26,479.64</u>

\* Attach a detail listing of accounts receivable and post-petition accounts payable

**SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS**

	<u>Month-end Retainer Balance</u>	<u>Current Month's Accrual</u>	<u>Paid in Current Month</u>	<u>Date of Court Approval</u>	<u>Month-end Balance Due *</u>
Debtor's Counsel	\$ 25,000.00	\$ 76,400.00	\$		\$ 127,349.38
Counsel for Unsecured Creditors' Committee	-	-	-		-
Trustee's Counsel	-	-	-		-
Accountant	-	10,000.00	11,499.35	(1)	3,665.09
Other: <u>David Green</u>	-	20,000.00	25,834.60	(1)	14,262.36
<b>Total</b>	<u>\$ 25,000.00</u>	<u>\$ 106,400.00</u>	<u>\$ 37,333.95</u>		<u>\$ 145,276.83</u>

\*Balance due to include fees and expenses incurred but not yet paid.

(1) Net of pre-petition amounts that were incorrectly paid in June 2016, and subsequently reimbursed by Accountant and Green, in the amount of \$3665.09 and \$14262.36, respectively, in July and August.

**SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES\*\***

<u>Payee Name</u>	<u>Position</u>	<u>Nature of Payment</u>	<u>Amount</u>
Wells Fargo CC FBO Clinton Carnell	CEO	Travel expenses	\$ 1,623.75
Clinton Carnell	CEO	Travel expenses	36,696.67

\*\*List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer or director.

Perseon Corporation  
Accounts Receivable Detail

CASE NO: 16-24435 RKM

For Period: 6/30/16

Customer	*****Pre Petition*****						*****Post Petition*****						Combined Pre and Post
	Under 30	30 to 60	61 to 90	91 to 120	Over 120	Total	Under 30	30 to 60	61 to 90	91 to 120	Over 120	Total	
ADA	-	-	-	-	46,788.97	46,788.97	-	-	-	-	-	-	46,788.97
Appleton		11,625.00	20,550.00	1,850.00	12,000.00	46,025.00	30,725.00	14,250.00				44,975.00	91,000.00
Boston						-	24,700.00	56,000.00				80,700.00	80,700.00
CEA					32,321.66	32,321.66						-	32,321.66
Comed			21,500.00			21,500.00	19,200.00					19,200.00	40,700.00
KOL		1,425.00	10,950.00	5,175.00	928.11	18,478.11		5,700.00				5,700.00	24,178.11
Mayo						-						-	-
Micromedics					10,264.29	10,264.29						-	10,264.29
Rhode Island		12,150.00	1,497.41			13,647.41						-	13,647.41
Roger Williams			4,050.00			4,050.00						-	4,050.00
Terumo						-						-	-
Miriam		2,700.00				2,700.00						-	2,700.00
University HC						-	56,000.00					56,000.00	56,000.00
Univ Med and Dent		3,885.00			80.00	3,965.00	5,230.00	6,525.00				11,755.00	15,720.00
VA						-	-					-	-
						-						-	-
Totals	-	31,785.00	58,547.41	7,025.00	102,383.03	199,740.44	135,855.00	82,475.00	-	-	-	218,330.00	418,070.44
Less: Bad Debt Reserve													(66,480.00)
Net Receivables													351,590.44

Perseon Corporation  
Accounts Payable Detail

CASE NO: 16-24435 RKM

For Period: 6/30/16

*****Pre Petition*****							*****Post Petition*****						
Customer	Under 30	30 to 60	61 to 90	91 to 120	Over 120	Total	Under 30	30 to 60	61 to 90	91 to 120	Over 120	Total	
ADT					2,016.44	2,016.44						-	
American shredding					238.40	238.40						-	
American Western					16,000.00	16,000.00						-	
Anthony Weeks					4,000.00	4,000.00						-	
Appleton						-		1,955.25				1,955.25	
Aramark					804.54	804.54						-	
Arrow					20,088.82	20,088.82						-	
Atlas			5,673.90			5,673.90						-	
BACS			9,316.98		46,928.38	56,245.36						-	
Ben Curtis						-		1,050.00				1,050.00	
Brenda Noreik		321.00	713.50			1,034.50		310.00				310.00	
Broadridge		781.06				781.06						-	
Cargo Link		32.99				32.99						-	
Carol Freasier						-	0.30					0.30	
CEA			12,294.80	4,524.04		16,818.84						-	
Certify					576.00	576.00						-	
Chorus Call					800.96	800.96						-	
Cognizant					3,500.00	3,500.00						-	
Cole Parmer				42.76		42.76						-	
Comcast					1,093.76	1,093.76						-	
Comed		7,400.00				7,400.00		300.00				300.00	
Compandben			38,660.00			38,660.00						-	
Converge					2,402.04	2,402.04						-	
CT			50.00	275.00	1,310.00	1,635.00						-	
David Green						-	8,000.00					8,000.00	
De Lage		443.69				443.69						-	
DEKRA						-		4,995.00				4,995.00	
Dennis Green					3,000.00	3,000.00						-	
Domo					33,055.00	33,055.00						-	
Dorsey					(0.01)	(0.01)	76,400.00	50,949.38				127,349.38	
DQS					2,600.00	2,600.00						-	
Eclipse					20,000.00	20,000.00						-	
Elcon					1,301.21	1,301.21						-	
Express					49.42	49.42						-	
Farmer John					600.00	600.00						-	
Fedex		1,299.18	40.01			1,339.19	165.70					165.70	
Financial Profiles					19,048.27	19,048.27						-	
First Digital			11.45	117.65	235.30	364.40						-	
Flexpak					2,272.94	2,272.94						-	
FP Mailing		142.00				142.00						-	
Harold Wolcott		12,500.00				12,500.00						-	
HealthSTAR					41,138.24	41,138.24						-	
Henriksen Butler					37,000.00	37,000.00						-	

Perseon Corporation  
Accounts Payable Detail

CASE NO: 16-24435 RKM

For Period: 6/30/16

*****Pre Petition*****							*****Post Petition*****						
Customer	Under 30	30 to 60	61 to 90	91 to 120	Over 120	Total	Under 30	30 to 60	61 to 90	91 to 120	Over 120	Total	
Hogan					6,155.62	6,155.62						-	
Holland						-		(10.00)				(10.00)	
Integra					4.79	4.79						-	
Iron Mtn			160.36	157.32	318.62	636.30		157.32				157.32	
Jean Yves					3,500.00	3,500.00						-	
John Groen						-	160.00					160.00	
Julene Cray					7,500.00	7,500.00						-	
Knapp					60,000.00	60,000.00						-	
Kristine Bates					1,600.00	1,600.00						-	
Latham					21,706.25	21,706.25						-	
Life Science			300.00			300.00						-	
Litho					1,186.80	1,186.80						-	
MegaPath			27,101.85	6,449.20	7,664.80	41,215.85						-	
Merit					26,729.23	26,729.23						-	
Merrill			3,277.60	2,713.62	18,501.26	24,492.48						-	
Modellers					49,752.00	49,752.00						-	
Mouser			12.97			12.97						-	
MultiLing				(650.00)	8,979.20	8,329.20						-	
Nasdaq				55,000.00	21,665.50	76,665.50						-	
Newark					217.07	217.07						-	
Nixon				533.86	44,508.74	45,042.60	5,000.00					5,000.00	
North American					609.25	609.25						-	
Parsons Behle					2,603.60	2,603.60						-	
PCB					6,430.41	6,430.41						-	
Perelson					2,160.75	2,160.75						-	
Pinnacle					450.00	450.00						-	
Plastic Fab					(241.35)	(241.35)						-	
Progressive				1,793.97		1,793.97						-	
Pure Water					793.17	793.17						-	
Quality Plating				352.05		352.05						-	
Republic					632.66	632.66						-	
Revenue Cycle					3,500.00	3,500.00						-	
Rocky Mountain					2,215.14	2,215.14						-	
Ryan Paqttersen					2,875.00	2,875.00						-	
Somacis					2,000.00	2,000.00						-	
Standard Parking					2,070.00	2,070.00						-	
Strong Hanni					4,428.20	4,428.20						-	
Sure Systems					1,091.97	1,091.97						-	
Surface Solutions					582.47	582.47						-	
Tailfin					15,500.00	15,500.00						-	
TalentCare					1,000.00	1,000.00						-	
Technology Assessment					700.00	700.00						-	
Terminix					103.00	103.00						-	

Perseon Corporation  
Accounts Payable Detail

**CASE NO:** 16-24435 RKM

For Period: 6/30/16

[illegible]



DEBTOR: Perseon Corporation

CASE NO: 16-24435 RKM

**Form 2-F**  
**QUARTERLY FEE SUMMARY \***  
**For the Month Ended:** 6/30/16

<u>Month</u>	<u>Year</u>	<u>Cash Disbursements **</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date Paid</u>
January	_____ \$	-			
February	_____	-			
March	_____	-			
TOTAL 1st Quarter	\$	<u>-</u> \$			
April	_____ \$	-			
May	_____	(13,790.02) (1)			
June	_____	245,029.30			
TOTAL 2nd Quarter	\$	<u>245,029.30</u> \$	<u>\$1,950</u>		
July	_____ \$	-			
August	_____	-			
September	_____	-			
TOTAL 3rd Quarter	\$	<u>-</u> \$			
October	_____ \$	-			
November	_____	-			
December	_____	-			
TOTAL 4th Quarter	\$	<u>-</u> \$			

**FEE SCHEDULE (as of JANUARY 1, 2008)**

*Subject to changes that may occur to 28 U.S.C. §1930(a)(6)*

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 to \$1,999,999.....	\$6,500
\$15,000 to \$74,999.....	\$650	\$2,000,000 to \$2,999,999.....	\$9,750
\$75,000 to \$149,999.....	\$975	\$3,000,000 to \$4,999,999.....	\$10,400
\$150,000 to \$224,999.....	\$1,625	\$5,000,000 to \$14,999,999 .....	\$13,000
\$225,000 to \$299,999.....	\$1,950	\$15,000,000 to \$29,999,999....	\$20,000
\$300,000 to \$999,999.....	\$4,875	\$30,000,000 or more	\$30,000

NOTES: '(1) \$13,790.02 of checks that were paid pre-petition, were subsequently voided post petition. This negative amount was excluded from the calculation of quarterly fees due.

\* This summary is to reflect the current calendar year's information cumulative to the end of the reporting period

\*\* Should agree with line 3, Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts  
*Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]*

*In addition, unpaid fees are considered a debt owed to the United States and will be assessed interest under 31 U.S.C. §3717*

**DEBTOR:** Perseon Corporation

**CASE NO:** 16-24435 RKM

**Form 2-G  
NARRATIVE**

**For the Month Ended:** 6/30/16

**Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors, or the court during the reporting period, any unusual or non-recurring accounting transactions that are reported in the financial statements, and any significant changes in the financial condition of the debtor which have occurred subsequent to the report date.**

On June 16, 2016, the Debtor held its 341 meeting of creditors.

On June 21, 2016, the Bankruptcy Court entered its Order (a) Authorizing Assumption of Asset Purchase Agreement, (b) Authorizing Bid Protections, (c) Authorizing Bidding Procedures and Auction, and (d) Scheduling Sale Hearing and Approving Notice Thereof [Docket No. 56] (the "Bidding Procedures Order"). The Bidding Procedures Order authorized the Debtor to assume its asset purchase agreement with MedLink Technologies, LLC, confirmed MedLink as the stalking horse bidder for the Debtor's assets, set a July 21, 2016 deadline for interested parties to submit bids for the Debtor's assets, set a July 25, 2016 auction for the Debtor's assets, and set a July 26, 2016 hearing to approve the sale of the Debtor's assets to the winning bidder at the auction.

Also in June, the Debtor filed motions to employ: Suntrust Robinson Humphrey, Inc. as its investment banker [Docket No. 57], Riley Astill as accountant [Docket No. 40], and David Green as chief restructuring consultant [Docket No. 59]. In addition to those motions, the Debtor filed a motion to assume a its employment agreement with Clinton Carnell – the Debtor's CEO [Docket No. 63]. The hearing on those motions was set for July 12, 2016.